

Boston University College of Arts and Sciences (CAS)

Moving Expenses Policy for New Faculty

New full-time lecturers and professors with unmodified titles receive an allocation for moving expenses, unless they are a local candidate. The specific amount allocated for moving expenses is stated in the offer letter. **Please note, some moving expenses were previously tax exempt, but effective from calendar year 2018 through 2025, new IRS guidelines suspended all moving expense deductions.**

This allocation may be spent on moving expenses for the faculty and his/her family, and can include costs of actual moving, transportation, packing, storage, broker/real estate agent fees; and other related expenses such as accommodation during travel to Boston. Original receipts will need to be submitted to the department for reimbursement.

The College of Arts & Sciences does not reimburse incoming faculty for certain other categories of expenses related to moves. These include, but are not limited to:

- Apartment rental deposits or monthly rental expenses;
- Purchase of new furniture or appliances;
- Extended storage (more than 30 days after a move to Boston).

Under IRS guidelines all moving expenses are taxable to the employee.

When incoming faculty submit expenses, they will be reimbursed in full for these expenses. However, the associated taxes will be deducted from their subsequent paycheck. As an example, if they submit \$1,000 in taxable expenses and this results in \$270 in taxes they will receive a reimbursement check for \$1,000 but an additional \$270 will be withdrawn from their next paycheck. These expenses will also be reported on their W-2 form at the end of the tax year.

Further details on the IRS's definitions of taxable and non-taxable expenses can be found online at <https://www.irs.gov/publications/p521>. Please note that the IRS regulations may discuss expense categories, such as broker fees, for which the College does not provide reimbursement.

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